

Approved in new wording
AS VIRŠI-A
Council meeting
24 October 2023,
Minutes No. J-2/2023-23

AS VIRŠI-A CODE OF ETHICS





1. Principal Terms

- 1.1. The Code of Ethics (hereinafter – Code) applies to AS VIRŠI-A, SIA Viršu nekustamie īpašumi, SIA VIRŠI Renergy, SIA VIRŠI loģistika (hereinafter collectively – Company).
- 1.2. The purpose of the Code is to develop the business practices of the Company based on the fundamental principles of ethical behaviour and to help the employees of the Company find answers to questions related to various ethical dilemmas. In situations not covered by this Code, employees shall act in accordance with general standards of conduct.
- 1.3. The fundamental principles, values and norms contained in this Code shall be binding on all employees of the Company in their conduct at work, in their relations with each other and with clients, business partners, suppliers of goods or services, governmental and non-governmental institutions, and with the mass media. Compliance with the provisions of the Code is essential to the employment relationship between the Company and the employee.
- 1.4. Employees of the Company must be aware that the actions of each individual employee contribute to the overall public image and reputation of the Company.
- 1.5. The Code of Ethics is not a detailed description of values, ethical principles and standards of conduct. Employees must also adhere to generally accepted values, ethical principles and standards of conduct in their actions.

2. Corporate Responsibility of the Company

2.1. Human rights

2.1.1. The Company respects internationally recognised human rights standards.

2.1.2. The Company guarantees that it has not engaged and will not engage in human rights violations and makes every effort to ensure that sufficient controls are in place to prevent such violations.

2.2. Child labour

2.2.1. Under no circumstances does the company employ children who are younger than the minimum age for the employment of children set by laws and regulations.

2.2.2. Children who have reached the age permitted for employment by the laws and regulations shall not be employed in dangerous work or in work that could be harmful to the health, personal growth, morals and development of the child.

2.3. Forced labour

2.3.1. Under no circumstances does the Company use forced labour.

2.3.2. Forced labour means any work or service to which a person is compelled by any threat of punishment and to which the person has not voluntarily consented.

2.3.3. Employees have the right to freely terminate the employment relationship by giving prior notice to the employer within a time limit laid down by law or agreement.

2.4. Non-discrimination clause

2.4.1. The Company treats its employees with respect and provides equal working conditions.

2.4.2. Any form of direct or indirect discrimination is prohibited, in particular discrimination based on race, colour, sex, age, disability, religion or political opinion, national or social origin, sexual orientation, marital status, pregnancy, etc. Threats of violence, punishment, physical or psychological abuse and unlawful harassment in any form are prohibited.



2.5. **Work environment**

2.5.1. Employees of the Company have the right to a safe and healthy work environment. The Company is supportive and open to new ideas and suggestions.

2.5.2. The Company is responsible for the implementation of and compliance with labour protection requirements.

2.6. **Environmental protection**

2.6.1. The Company supports precautionary measures regarding environmental issues and takes the initiative to promote greater responsibility for the environment.

2.6.2. The Company must comply with all environmental protection requirements set out in the laws and regulations.

2.6.3. The Company supports the development and distribution of environmentally friendly technologies to achieve a systematic reduction of environmental impacts.

3. **Basic Principles of Ethics**

3.1. The employee does not engage in any activities that discredit the Company.

3.2. The employee performs his/her work duties carefully, fairly, and responsibly. The employee refrains from conduct or actions that may cause reputational risks to the Company or cast doubt on the integrity of the employee.

3.3. The personal interests of the employee cannot affect the performance of his/her work duties. The employee can separate the performance of work duties from other duties.

3.4. The employee does not misuse the information obtained in the performance of his/her work duties and undertakes not to disclose this information to third parties.

3.5. In the performance of his/her work duties, the employee is fair, kind and helpful to colleagues, clients or business partners, acts without arrogance, and respects the rights and obligations of these persons. The employee is prohibited from using words, gestures or actions that may offend the honour and dignity of others.

3.6. In the performance of his/her work duties, the employee cannot support or conceal unlawful conduct.

4. **Values of the Company**

4.1. **Enthusiasm is our energy.**

Working at Virši charges you. We work with passion and perseverance! We believe in our own efforts and want to set an example for Latvian companies to succeed! Passion is courage, initiative, and determination.

4.2. **Our strength is our roots.**

A strong company knows its roots. Whatever tomorrow brings, we always remember and value our origins. Our roots are tradition, thriftiness, and pride.

4.3. **Human to human.**

I respect others. I can say thank you and listen to the opinion of others, assuming it may be different from mine. I work in a team, and I am aware of the great power of mutual cooperation. Only together can we find the answers that alone we cannot. The team helps me to understand the limits of my abilities. I am responsible to myself, my colleagues, and the company. I am responsible for my words and work. You can rely on me.



4.4. **Creating the future today.**

I appreciate the fact that the company is thinking about a greener future today. I am open to new things and ready to learn them quickly. We can all make a difference, make an impact and make our world a better place. If I have ideas on how to do things smarter, more efficiently and more environmentally friendly, I tell them because I know I will be heard. I am part of a company that has evolved from being a fuel trader to a trader of all kinds of energy. Our team is not standing still but proving itself in yet unknown areas.

5. Communication Ethics

- 5.1. To avoid public discord, no employee can comment on and/or express the views of the Company without the approval of the Communications Manager of the Company.
- 5.2. Financial and any other information relating to the Company is expressed in a clear and understandable manner in the public space. Such information may be expressed by the Board of the Company, the Communications Manager of the Company, or a person authorised by the Company.
- 5.3. Employees refrain from publicly expressing views that are contrary to or incompatible with the business objectives and values of the Company. When publicly expressing a different position on an issue, the personal opinion is strictly and unambiguously distinguishable from the official opinion of the Company.
- 5.4. If there is a communication misunderstanding within the Company or with business partners, the Company will promptly step in and correct the misunderstanding by providing truthful information.
- 5.5. Making mistakes, acknowledging them honestly and justifying the truth is part of human and ethical action. If the employee has made a mistake, the employee admits his/her mistakes and corrects them.
- 5.6. Mentioning false information and defaming competitors is strictly prohibited.

6. Mutual Relationships

- 6.1. The employee cooperates with colleagues by providing and receiving the necessary assistance in the performance of professional duties and does not misuse the trust of colleagues.
- 6.2. The employee treats colleagues with respect. There is a relationship of trust and cooperation between colleagues. The employee does not take advantage of the ignorance or mistakes of other employees.
- 6.3. Humiliation of colleagues, public criticism and cynical attitude are unacceptable. Errors in the work process are pointed out in an individual conversation, giving feedback on the work, not on the personality or views of the employee.
- 6.4. The employee evaluates his/her own actions in good faith and listens to feedback. At the same time, the employee has the right to claim treatment from colleagues that is not offensive and provocative.
- 6.5. The employee avoids non-collegial relationships – intrigue, gossip, slander, hypocrisy. The employee avoids and does not permit the harassment of other persons due to race, gender, age, national or religious belonging, or other circumstances.



- 6.6. The employee avoids conflicts and, when they arise, resolves them through constructive negotiation. The employee respects everyone's right to their opinion, takes the views of others into account, without offending or insulting anyone personally.
- 6.7. In situations of conflict, the employee acts objectively and seeks to resolve the conflict. If disagreements or disputes between employees cannot be resolved through negotiations, the line manager and the Human Resources Department may be involved, if necessary. The employee avoids the public discussion of disagreements.
- 6.8. The employee separates privacy from legal employment and does not use working time to address issues of private life.
- 6.9. When working with the partners of the Company, employees are guided by the Code and the values of the Company and inform the partners thereof. If a partner does not respect them, this must be pointed out to the partner, and the management, line manager or responsible authority of the company must be informed if necessary, and the cooperation must be terminated if no agreement can be reached regarding complying with the Code.

7. Miscellaneous

- 7.1. The Code is available on the internal news page of the Company, on the HR management system and on the website of the Company. Each employee must confirm that he/she has read the Code.
- 7.2. If an employee is unclear about the Code and the resulting conduct, or if an employee has identified a possible violation of the Code, the employee should first approach his/her line manager or the Manager of Human Resources, and if this is not possible due to objective circumstances, the Board of the Company.
- 7.3. The Chairman of the Board of the Company may, by order, establish a Code of Ethics Violations Committee to resolve disputes arising under the Code.
- 7.4. The heads of the units of the Company set an example for the employees by their attitude and actions and answer questions of the employees on ethical issues, if any. The employee may make proposals to the Board of the Company regarding the improvement of the Code at any time.
- 7.5. Violation of the provisions of the Code constitutes a breach of the established working procedures of the Company and may be considered a disciplinary offence, depending on the circumstances of the incident.
- 7.6. The Code is reviewed and, if necessary, updated at least every 3 (three) years. The review and updating is carried out by the Board of the Company.
- 7.7. The implementation and application of the provisions of the Code are monitored by the Board of the Company.
- 7.8. If amendments are made to the Code of Ethics, they are approved by the Council, and it is deemed that the new wording of the Code of Ethics is approved with the approval of amendments.
- 7.9. The new wording of the Code of Ethics enters into force on the date of its approval by the Council of the Company.

Chairman of the Council
Jānis Riekstiņš